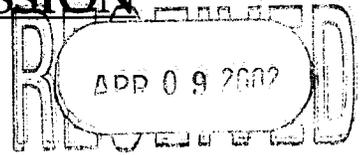


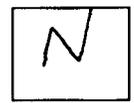
4/10/02 2001 assessment db updated cm

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY



E-01787A
NAVOPACHE ELECTRIC COOPERATIVE, INC.
P. O. BOX 308
LAKESIDE AZ 85929-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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*Entered
4-10-02
cm*

FOR COMMISSION USE

ANN 0 /	01
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COMPANY INFORMATION

Company Name (Business Name) NAVOPACHE ELECTRIC COOPERATIVE, INC.

Mailing Address 1878 W WHITE MOUNTAIN BLVD

(Street)

LAKESIDE

ARIZONA

85929

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address podair@navopache.org

Local Office Mailing Address PO BOX 308

(Street)

LAKESIDE

ARIZONA

85929

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: PAUL O'DAIR MANAGER OF FINANCIAL SERVICES

(Name)

(Title)

1878 W WHITE MOUNTAIN BLVD

LAKESIDE

ARIZONA

85929

(Street)

(City)

(State)

(Zip)

(928) 368-5118 ext. 206

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address podair@navopache.org

On Site Manager: WAYNE A RETZLAFF

(Name)

1878 W WHITE MOUNTAIN BLVD

LAKESIDE

ARIZONA

85929

(Street)

(City)

(State)

(Zip)

(928) 368-5118

(928) 368-6038

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address wretzlaff@navopache.org

Statutory Agent: MARILYNN SHORT

(Name)

1878 W WHITE MOUNTAIN BLVD

(Street)

LAKESIDE

(City)

ARIZONA

(State)

85929

(Zip)

(928) 368-5118

Telephone No. (Include Area Code)

(928) 368-6038

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: MARTINEZ & CURTIS PC

(Name)

2717 N SEVENTH ST

(Street)

PHOENIX

(City)

ARIZONA

(State)

85006

(Zip)

(602) 248-0372

Telephone No. (Include Area Code)

(602) 266-8290

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>CORPORATION - ELECTRIC COOPERATIVE</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|--|
| <input checked="" type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input checked="" type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input checked="" type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input checked="" type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

SERVICES AUTHORIZED TO PROVIDE

Check the following box/s for the services that you are authorized to provide:

Electric

- Investor Owned Electric
- Rural Electric Cooperative
- Utility Distribution Company
- Electric Service Provider
 - Transmission Service Provider
 - Meter Service Provider
 - Meter Reading Service Provider
 - Billing and Collection
 - Ancillary Services
 - Generation Provider
 - Aggregator/Broker

Telecommunications

- Incumbent Local Exchange Carrier
- Interexchange Carrier
- Competitive Local Exchange Carrier
- Reseller
- Alternative Operator Service Provider

Gas

- Natural Gas
- Propane

Other (Specify) _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residential access lines	_____
Total business access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

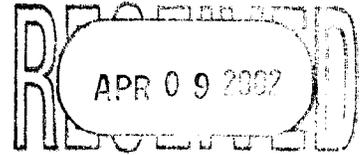
ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers	31,169	
Residential	28,065	
Commercial	2,834	
Industrial	5	
Public street and highway lighting	23	
Irrigation	242	
Resale		
Total kilowatt-hours sold	313,235,606	kWh
Residential	158,791,011	
Commercial	111,733,755	
Industrial	32,115,660	
Public street and highway lighting	826,309	
Irrigation	9,768,871	
Resale		
Maximum Peak Load	55,658	MW

GAS UTILITIES ONLY

Total number of customers		
Residential		
Commercial		
Industrial		
Irrigation		
Resale		
Total therms sold		therms
Residential		
Commercial		
Industrial		
Irrigation		
Resale		

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) NAVAJO	Director of Utilities
NAME (OWNER OR OFFICIAL) TITLE PAUL O'DAIR, MANAGER OF FINANCIAL SERVICES	
COMPANY NAME NAVOPACHE ELECTRIC COOPERATIVE, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
\$ <u>27,794,083</u>

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1,708,295
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Paul O'Dair

SIGNATURE OF OWNER OR OFFICIAL

(928) 368-5118

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

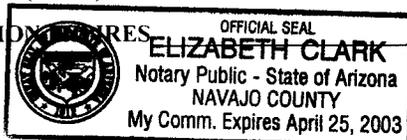
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 8th DAY OF

COUNTY NAME <u>Navajo</u>
MONTH <u>April</u> 20 <u>02</u>

(SEAL)

MY COMMISSION EXPIRES

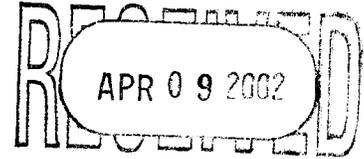


Elizabeth Clark

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

(COUNTY NAME)		Director of Utilities
NAME (OWNER OR OFFICIAL)	n/a	TITLE
COMPANY NAME		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ n/a

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ _____ IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

X n/a
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS [] DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	20

X _____
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2001) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

Navopache Electric Cooperative, Inc.
ACC Utilities Division

ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY

		2001			
	statement of operations		NEW MEXICO		ARIZONA
	item	SYSTEM	ESTIMATE		ESTIMATE
1	operating revenue	\$27,490,921	\$942,430	1	\$26,548,491
3	cost of power	\$14,839,641	\$430,990	1	\$14,408,651
4	transmission expense	\$152,457	\$19,869	6	\$132,588
5	dist expense - operations	\$2,306,492	\$300,593	6	\$2,005,899
6	dist expense - maintenance	\$1,222,778	\$159,359	6	\$1,063,419
7	consumer accounts expense	\$2,139,511	\$97,094	5	\$2,042,417
8	customer service & info.	\$319,043	\$14,479	5	\$304,564
9	sales expense	\$148,238	\$6,727	5	\$141,511
10	administrative & general	\$3,040,248	\$137,970	5	\$2,902,278
11	TOTAL OPERATIONS	\$24,168,408	\$1,167,080		\$23,001,328
12	depreciation & amortization	\$2,364,826	\$123,052	2	\$2,241,774
13	tax expense - property	\$9,109	\$413	1	\$8,696
14	tax expense - other	\$16,185	\$578	1	\$15,607
15	interest expense long term	\$1,709,757	\$88,966	2	\$1,620,791
17	interest expense other	\$356,939	\$16,198	5	\$340,741
18	other deductions	\$16,092	\$730	5	\$15,362
19	COST OF ELECTRIC SERVICE	\$28,641,316	\$1,397,017		\$27,244,299
20	OPERATING MARGINS	(\$1,150,395)	(\$454,588)		(\$695,807)
21	non-operating margins interest	\$137,294	\$7,144	2	\$130,150
	non-operating margins	(\$221,395)	(\$10,047)	5	(\$211,348)
25	G&T capital credits	\$0	\$0	7	\$0
26	other capital credits	\$110,609	\$5,755	2	\$104,854
27	extraordinary items	\$0	\$0	10	\$0
28	MARGINS	(\$1,123,887)	(\$451,735)		(\$672,152)
	TIER	0.46	(3.30)		0.66

ARIZONA ESTIMATE ONLY - INTERNAL USE ONLY

2001

	balance sheet item	SYSTEM	NEW MEXICO ESTIMATE		ARIZONA ESTIMATE
1	total utility plant	\$71,929,548	\$3,929,728	1	\$67,999,820
2	construction wip	\$3,592,544	\$211,819	1	\$3,380,725
3	total utility plant	\$75,522,092	\$4,141,547		\$71,380,545
4	depreciation & amort.	\$30,542,763	\$1,531,271	1	\$29,011,492
5	net utility plant	\$44,979,329	\$2,610,276		\$42,369,053
8	Invest. in Asso. Org. patronage	\$605,856	\$16,835	7	\$589,021
9	Invest. in Assoc. org. other general	\$247,346	\$12,870	2	\$234,476
10	Invest. in Assoc. org. other non-general	\$1,360,350	\$70,785	2	\$1,289,565
12	other investments	\$68,936	\$0	1	\$68,936
13	special funds	\$0	\$0	5	\$0
14	total other property & investments	\$2,282,488	\$100,490		\$2,181,998
15	cash - general funds	\$85,637	\$660	1	\$84,977
16	cash construction funds	\$0	\$0	1	\$0
17	special deposits	\$195,825	\$0	1	\$195,825
18	temporaty investments	\$2,370,546	\$123,349	2	\$2,247,197
19	notes receivable - net	\$13,516	\$613	8	\$12,903
20	accounts receivable net	\$1,215,742	\$55,172	8	\$1,160,570
21	accounts receivable net other	\$2,176,538	\$98,774	8	\$2,077,764
22	materials and supplies	\$1,772,931	\$38,085	1	\$1,734,846
23	prepayments	\$103,164	\$5,217	1	\$97,947
24	other current and accrued assets	\$155,101	\$8,071	2	\$147,030
25	total current and accrued assets	\$8,089,000	\$329,941		\$7,759,059
	deferred debits	\$261,165	\$13,589	2	\$247,576
29	TOTAL ASSETS & OTHER DEBITS	\$55,611,982	\$3,054,296		\$52,557,686
30	memberships	\$135,415	\$7,323	1	\$128,092
31	patronage capital	\$11,480,148	\$1,171,142	1	\$10,309,006
33	operating margins	(\$3,807,275)	(\$454,588)	1	(\$3,352,687)
34	non-operating margins	(\$84,101)	\$2,852	1	(\$86,953)
35	other margins & equities	\$738,162	\$33,499	5	\$704,663
	total margins and equities	\$8,462,349	\$760,228		\$7,702,121
37	long-term debt REA	\$22,988,474	\$1,196,186	2	\$21,792,288
40	long-term debt other	\$7,409,154	\$385,529	2	\$7,023,625
	total long term debt	\$30,397,628	\$1,581,715		\$28,815,913
43	accumulated operating provisions	\$399,053	\$20,764	2	\$378,289
44	total other noncurrent liabilities	\$399,053	\$20,764		\$378,289
45	notes payable	\$6,000,000	\$312,205		\$5,687,795
46	accounts payable	\$1,176,672	\$39,079	1	\$1,137,593
47	customer deposits	\$363,171	\$16,481	5	\$346,690
51	other current & accrued liabilities	\$895,345	\$36,115	1	\$859,230
48	current maturties long term debt	\$1,078,931	\$56,141.26		\$1,022,790
	total current & accrued liabilities	\$9,514,119	\$460,021		\$9,054,098
54	deferred credits	\$6,838,833	\$231,568	1	\$6,607,265
	TOTAL LIABILITIES & OTHER CREDITS	\$55,611,982	\$3,054,296		\$52,557,686

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION AZ0013
	PERIOD ENDED 12/2001
FINANCIAL AND STATISTICAL REPORT	BORROWER NAME AND ADDRESS NAVOPACHE ELEC COOP INC P.O. Box 308 1878 W. White Mtn Blvd, HWY 260 Lakeside, AZ 85929-
	INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2. This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



Paul O'Dair, Manager of Financial Services

02/21/2002

DATE



Wayne A. Retzlaff, General Manager

02/21/2002

DATE

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNINATION AZ0013
	PERIOD ENDED 12/2001

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	30,515,795	27,490,921	31,277,434	1,964,259
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	18,573,917	14,839,641	18,891,571	876,489
4. Transmission Expense	124,461	152,457	101,736	11,985
5. Distribution Expense - Operation	2,165,569	2,306,492	2,254,118	205,955
6. Distribution Expense - Maintenance	1,110,578	1,222,778	1,231,804	146,013
7. Consumer Accounts Expense	2,284,488	2,139,511	1,948,508	197,708
8. Customer Service and Informational Expense	308,590	319,043	302,256	31,304
9. Sales Expense	135,937	148,238	43,630	11,877
10. Administrative and General Expense	3,005,881	3,040,248	2,986,651	347,471
11. Total Operation & Maintenance Expense (2 thru 10)	27,709,421	24,168,408	27,760,274	1,828,802
12. Depreciation and Amortization Expense	2,208,244	2,364,826	2,215,890	199,360
13. Tax Expense - Property & Gross Receipts	5,442	9,109	4,553	737
14. Tax Expense - Other	13,484	16,185	7,741	1,337
15. Interest on Long-Term Debt	1,787,012	1,709,757	1,874,835	128,087
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	257,145	356,939	201,036	55,845
18. Other Deductions	6,508	16,092	25,788	542
19. Total Cost of Electric Service (11 thru 18)	31,987,256	28,641,316	32,090,117	2,214,710
20. Patronage Capital & Operating Margins (1 minus 19)	(1,471,461)	(1,150,395)	(812,683)	(250,451)
21. Non Operating Margins - Interest	172,556	137,294	146,437	10,968
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	(88,220)	(221,395)	(33,791)	(16,498)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	190,261	110,609	90,677	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	(1,196,864)	(1,123,887)	(609,360)	(255,981)

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION AZ0013	
INSTRUCTIONS-See RUS Bulletin 1717B-2		PERIOD ENDED 12/2001	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1 Total Utility Plant in Service	71,929,548	29 Memberships	135,415
2 Construction Work in Progress	3,592,544	30 Patronage Capital	11,480,148
3 Total Utility Plant (1 + 2)	75,522,092	31 Operating Margins - Prior Years	(2,767,488)
4 Accum. Provision for Depreciation and Amort.	30,542,763	32 Operating Margins - Current Year	(1,039,787)
5 Net Utility Plant (3 - 4)	44,979,329	33 Non-Operating Margins	(84,101)
6 Non-Utility Property (Net)	0	34 Other Margins and Equities	738,162
7 Investments in Subsidiary Companies	0	35 Total Margins & Equities (29 thru 34)	8,462,349
8 Invest. in Assoc. Org. - Patronage Capital	605,856	36 Long-Term Debt - RUS (Net)	22,988,474
9 Invest. in Assoc. Org. - Other - General Funds	247,346	(Payments - Unapplied)	0
10 Invest. in Assoc. Org. - Other - Nongeneral Funds	1,360,350	37 Long-Term Debt - RUS - Econ. Devel. (Net)	0
11 Investments in Economic Development Projects	0	38 Long-Term Debt - FFB - RUS Guaranteed	0
12 Other Investments	68,936	39 Long-Term Debt - Other - RUS Guaranteed	0
13 Special Funds	0	40 Long-Term Debt Other (Net)	7,409,154
14 Total Other Property & Investments (6 thru 13)	2,282,488	41 Total Long-Term Debt (36 thru 40)	30,397,628
15 Cash - General Funds	85,637	42 Obligations Under Capital Leases - Noncurrent	0
16 Cash - Construction Funds - Trustee	0	43 Accumulated Operating Provisions	399,053
17 Special Deposits	195,825	44 Total Other Noncurrent Liabilities (42 + 43)	399,053
18 Temporary investments	2,370,546	45 Notes Payable	6,000,000
19 Notes Receivable (Net)	13,516	46 Accounts Payable	1,176,672
20 Accounts Receivable - Sales of Energy (Net)	1,215,742	47 Consumers Deposits	363,171
21 Accounts Receivable - Other (Net)	2,176,538	48 Current Maturities Long-Term Debt	1,078,931
22 Materials and Supplies - Electric & Other	1,772,931	49 Current Maturities Long-Term Debt-Economic Development	0
23 Prepayments	103,164	50 Current Maturities Capital Leases	0
24 Other Current and Accrued Assets	155,101	51 Other Current and Accrued Liabilities	895,345
25 Total Current and Accrued Assets (15 thru 24)	8,089,000	52 Total Current & Accrued Liabilities (45 thru 51)	9,514,119
26 Regulatory Assets	0	53 Regulatory Liabilities	0
27 Other Deferred Debits	261,165	54 Other Deferred Credits	6,838,833
28 Total Assets and Other Debits (5+14+25 thru 27)	55,611,982	55 Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	55,611,982

Name of Borrower		Report Year	Report Period
NAVOPACHE ELEC COOP INC (AZ0013)		2001	12
Part D. Notes to Financial Statements			

Navopache Electric Cooperative is in technical default. Navopache recently had a rate adjustment approved with the Arizona Corporation Commission in December 2001.

FINANCIAL AND STATISTICAL REPORT

AZ0013

12/2001

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part E. Changes in Utility Plant

PLANT ITEM	Balance Beginning of Year	Additions	Retirements	Adjustments and Transfers	Balance End of Year
Distribution Plant	52,274,965	4,027,685	970,053	0	55,332,597
General Plant	7,341,210	959,246	185,126	0	8,115,330
Headquarters Plant	1,578,224	6,047	3,413	0	1,580,858
Intangibles	228,075	0	0	0	228,075
Transmission Plant	6,448,611	0	0	0	6,448,611
All Other Utility Plant	224,077	0	0	0	224,077
Total Utility Plant in Service (1 thru 6)	68,095,162	4,992,978	1,158,592	0	71,929,548
Construction Work in Progress	3,935,420	(342,876)			3,592,544
TOTAL UTILITY PLANT (7 + 8)	72,030,582	4,650,102	1,158,592	0	75,522,092

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Part G. Service Interruptions

ITEM	Avg. Hours per Consumer by Cause Power Supplier (a)	Avg. Hours per Consumer by Cause Extreme Storm (b)	Avg. Hours per Consumer by Cause Prearranged (c)	Avg. Hours per Consumer by Cause All Other (d)	TOTAL (e)
1. Present Year	0.05	2.37	0.31	1.25	3.98
2. Five-Year Average	0.22	0.85	0.17	1.68	2.92

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Part H. Employee-Hour and Payroll Statistics

	Amount
1. Number of Full Time Employees	107
2. Employee - Hours Worked - Regular Time	222,560
3. Employee - Hours Worked - Overtime	17,461
4. Payroll - Expensed	3,519,251
5. Payroll - Capitalized	1,362,949
6. Payroll - Other	862,916

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Part I. Patronage Capital

ITEM	DESCRIPTION	This Year (a)	Cumulative (b)
1. Capital Credits Distributions	a. General Retirements	0	2,368,600
	b. Special Retirements	87,544	960,984
	c. Total Retirements (a + b)	87,544	3,329,584
2. Capital Credits Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	0	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	85,394	
	c. Total Cash Received (a + b)	85,394	

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Part K. kWh Purchased and Total Cost

Line No.	ITEM (a)	RUS Use Only Supplier Code (b)	kWh Purchased (c)	Total Cost (d)	Average Cost (Cents/kWh) (e)	Included in Total Cost Fuel Cost Adjustment (f)	Included in Total Cost Wheeling and Other Charges (or credits) (g)
1	Public Service Company of NM	15473	348,464,479	14,839,641	4.26	0	0
2		0	0	0	0.00	0	0
3		0	0	0	0.00	0	0
4		0	0	0	0.00	0	0
5		0	0	0	0.00	0	0
6		0	0	0	0.00	0	0
7		0	0	0	0.00	0	0
8		0	0	0	0.00	0	0
9		0	0	0	0.00	0	0
10		0	0	0	0.00	0	0
11		0	0	0	0.00	0	0
12		0	0	0	0.00	0	0
13		0	0	0	0.00	0	0
14		0	0	0	0.00	0	0
15		0	0	0	0.00	0	0
16		0	0	0	0.00	0	0
17		0	0	0	0.00	0	0
18		0	0	0	0.00	0	0
19		0	0	0	0.00	0	0
20		0	0	0	0.00	0	0
	Total		348,464,479	14,839,641	4.26	0	0

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Part M. Annual Meeting and Board Data

1. Date of Last Annual Meeting 09/08/2001	2. Total Number of Members 27,083	3. Number of Members Present at Meeting 300	4. Was Quorum Present (Y/N) ? Y
5. Number of Members Voting by Proxy or Mail 1,968	6. Total Number of Board Members 8	7. Total Amount of Fees and Expenses for Board Members 130,305	8. Does Manager Have Written Contract (Y/N) ? N

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Part O. Power Requirements Data Base - Annual Summary

CLASSIFICATION	Consumer Sales & Revenue Data	December	Average No. Consumers Served	Total Year to Date
		(a)	(b)	(c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	18,842	18,404	
	b. kWh Sold			131,174,894
	c. Revenue			11,632,315
2. Residential Sales - Seasonal	a. No. Consumers Served	10,488	10,430	
	b. kWh Sold			33,593,511
	c. Revenue			3,755,229
3. Irrigation Sales	a. No. Consumers Served	252	235	
	b. kWh Sold			9,868,637
	c. Revenue			802,513
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	3,031	2,993	
	b. kWh Sold			114,565,265
	c. Revenue			9,108,112
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	5	5	
	b. kWh Sold			32,115,660
	c. Revenue			1,657,114
6. Public Street & Highway Lighting	a. No. Consumers Served	23	23	
	b. kWh Sold			870,359
	c. Revenue			56,501
7. Other Sales to Public Authorities	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
8. Sales for Resales - RUS Borrowers	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
9. Sales for Resale - Other	a. No. Consumers Served	0	0	
	b. kWh Sold			0
	c. Revenue			0
10. TOTAL No. of Consumers (lines 1a thru 9a)		32,641	32,090	
11. TOTAL kWh Sold (lines 1b thru 9b)				322,188,326
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				27,011,784
13. Other Electric Revenue				479,137
14. kWh - Own Use				981,229
15. TOTAL kWh Purchased				348,464,479
16. TOTAL kWh Generated				0
17. Cost of Purchases and Generation				14,992,098
18. Interchange - kWh - Net				0
19. Peak - Sum All kW Input (Metered)				55,658

Non-coincident Coincident

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7a - Part I. Investments

Line No.	Description (a)	Included (\$) (b)	Excluded (\$) (c)	Income or Loss (\$) (d)	Rural Development (e)
2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS					
1	CFC Patronage Capital	305,296	0	85,394	
2	ERMCO Patronage Capital	26,066	0	0	
3	CSI Patronage Capital	273,256	0	0	
4	NISC Patronage Capital	872	0	0	
5	Touch Stone	366	0	0	
6	CSI Membership	100	0	0	
7	CSI Equity	166,541	0	0	
8	Federated Stock	80,405	0	0	
9	Plaines G&T Membership	100	0	0	
10	ERMCO Membership	100	0	0	
11	GCSECA Membership	100	0	0	
12	CFC Capital Term Certificates	0	1,360,350	0	
Total: 2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS		853,202	1,360,350	85,394	
4. OTHER INVESTMENTS					
13	RUS ERC weatherization loans	68,936	0	3,179	
Total: 4. OTHER INVESTMENTS		68,936	0	3,179	
6. CASH - GENERAL					
14	NEC working funds	2,350	0		
15	General Cash - Bank One	-55,292	0		
16	General Cash - Wells Fargo	22,507	0		
17	General Cash - Capital Credits	2,492	0		
18	General Cash - Payroll	999	0		
19	General Cash - 125 MRB	13,091	0		
20	General Cash - Catron	2,380	0		
21	General Cash - Transfers Collections	498	0		
22	General Cash - Community First	96,612	0		
Total: 6. CASH - GENERAL		85,637	0		
7. SPECIAL DEPOSITS					
23	Arizona Corporation Commission DSM	195,825	0		
Total: 7. SPECIAL DEPOSITS		195,825	0		
8. TEMPORARY INVESTMENTS					
24	Bank One Treasury Sweep	0	2,370,546		
Total: 8. TEMPORARY INVESTMENTS		0	2,370,546		
9. ACCOUNTS & NOTES RECEIVABLE - NET					
25	Notes Receivable	13,516	0	759	
26	Accounts Receivable - Other	53,844	0	0	
27	PNM Market Energy Index	2,122,694	0	0	
Total: 9. ACCOUNTS & NOTES RECEIVABLE - NET		2,190,054	0	759	
28					
29					
30					

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Line No.	Description (a)	Included (\$) (b)	Excluded (\$) (c)	Income or Loss (\$) (d)	Rural Development (e)
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
50					
51					
52					
53					
54					
55					
56					
57					
58					
59					
60					

11. TOTAL INVESTMENTS	3,393,654	3,730,896	89,332	
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7a - Part II. Loan Guarantees/Part III. Ratio

Line No.	Organization (a)	Maturity date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Rural Development (e)
1			0	0	
2			0	0	
3			0	0	
4			0	0	
5			0	0	
6			0	0	
7			0	0	
8			0	0	
9			0	0	
10			0	0	
TOTALS			0	0	
TOTAL (included Loan Guarantees only)			0	0	

Ratio of Investments and Loan Guarantees to Utility Plant [Total of Included Investments (Part I, 11b) and Loan Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form 7, Part C, Line 3)]

4.4 %

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7a - Part IV. Loans

Line No.	Organization (a)	Maturity date (b)	Original Amount (\$) (c)	Loan Balance (\$) (d)	Rural Development (e)
1	Employees, Officers, Directors		25,456	13,516	
2	Energy Resource Conservation Loans		88,500	68,936	
3			0	0	
4			0	0	
5			0	0	
6			0	0	
7			0	0	
8			0	0	
9			0	0	
10			0	0	
11			0	0	
12			0	0	
13			0	0	
14			0	0	
15			0	0	
TOTALS			113,956	82,452	